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50

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CONTENTS

South Vietnam: Situation report. (Page 1)

<u>Cambodia</u>: There are indications that several important problems between Cambodia and the Vietnamese Communists have yet to be resolved. (Page 2)

USSR-Asia: Moscow may be working on an elaboration of Brezhnev's recent proposal for a "collective security system" for Asia. (Page 3)

Czechoslovakia: Party leader Husak is still enmeshed in political infighting. (Page 5)

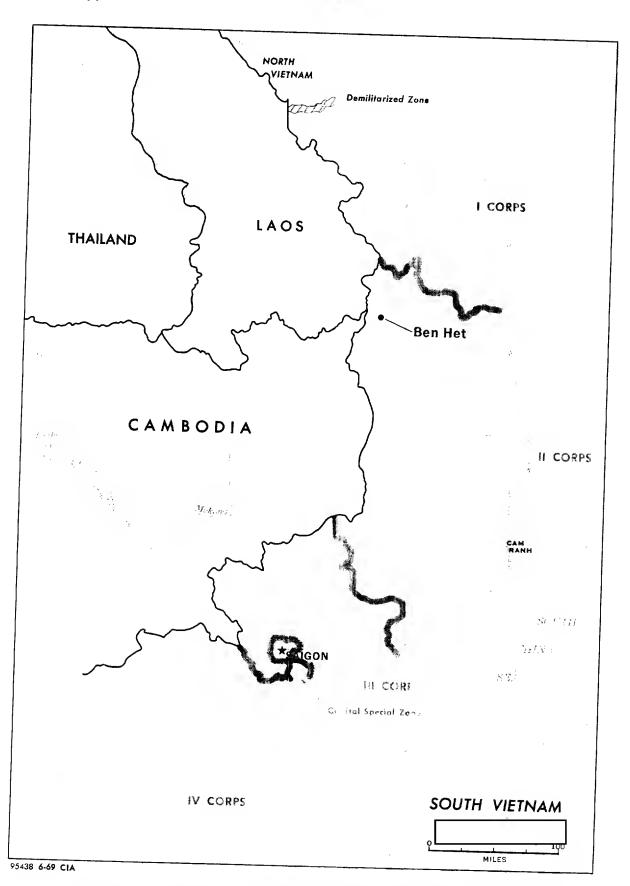
Nepal-India: Relations continue to deteriorate. (Page 8)

UN - Middle East: Jordanian protest (Page 9)

Turkey: Students (Page 9)

Pakistan: Unrest (Page 10)

Malaysia: Clashes (Page 10)



South Vietnam: Communist-initiated military action was generally light on 28-29 June. There were no major ground engagements, but three rockets struck the northwestern outskirts of Saigon late last night, wounding four South Vietnamese civilians.

The pace of the daily enemy shellings of Ben Het dropped off significantly over the weekend following the record high 236-round barrage of 27 June. Extensive allied air and artillery strikes may have forced the Communists to alter their offensive timetable.

Cambodia: Circumstances surrounding the visit of the head of the Provisional Revolutionary Government (PRG) suggest that several important problems between Cambodia and the Vietnamese Communists have yet to be resolved.

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reason for Sihanouk's reluctance may be his unwillingness to meet Communist demands to resume supply
shipments to the Viet Cong without a reciprocal gesture. Sihanouk suspended the shipments last month,
as part of his effort to pressure the Communists into
limiting their activities on Cambodian territory.

The recent admission by the PRG ambassador in Phnom Penh that Communist troops are located on Cambodian soil, and the "promise" that they would leave "as soon as possible," may have been part of the price Sihanouk exacted for agreeing to Huynh Tan Phat's visit. The Communists presumably will not push Sihanouk for a firm commitment on the supply issue, but Phat may have a number of other questions relating to the Vietnam war to discuss with Sihanouk at this juncture, including a reduction of Cambodian military pressures against Communist forces in Cambodia.

Press reports from Phnom Penh indicate that Sihanouk is likely to drive a hard bargain with Phat. The reluctance with which he has agreed to the visit, however, and reports that the Vietnamese themselves are taking a tough line, suggest that the Communists are attempting to pressure Sihanouk into concessions on matters of vital importance to them.

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USSR-Asia: Soviet officials are intimating that Moscow is working on an elaboration of Brezhnev's recent proposal for a "collective security system" for Asia.

Since Brezhnev made his remarks on 7 June, Soviet diplomats abroad, professing to have no further information, have limited themselves to testing initial foreign reaction. The chief of the Southeast Asian Countries Division of the Soviet Foreign Ministry, Mikhail Kapitsa, admitted on 26 June that the "pact was still no more than a general concept." He said, however, that a government planning group was working on "details" which might soon be offered for international discussion.

One of the options that Moscow is apparently considering is similar to its previous proposals on European security. Soviet Deputy Foreign Minister in Moscow on Kozyrev told 20 June that his government was considering issuing a call similar to that issued by the Warsaw Pact countries for an all-European security conference in Budapest last March. Previous Soviet European security proposals have been generally vague, amounting to suggestions that all nations agree at such a conference to abolish military blocs, solve their differences peacefully, and work toward better economic, political, and cultural relations. Several Soviet officials have indicated that this is what Moscow has in mind for Asia.

The first moves could also be handled in other ways, and Moscow is probably considering all aspects of the situation at this time. Aside from a Chinese denouncement, Asian reaction has been guarded, and the Soviets must overcome a number of difficulties before launching any initiative. It is clear, however, that whatever does emerge will be aimed at countering the Chinese and undermining the influence of the West.

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30 Jun 69

25X1

Central Intelligence Bulletin



Czechoslovak party first secretary Gustav Husak (R) and his conservative rival, Czech party bureau chief Lubomir Strougal, may be forming a tenuous alliance.

Czechoslovakia: Two months after succeeding Dubcek, party leader Husak is enmeshed in political infighting that has frustrated his efforts to gain complete control.

Husak's insistence on a relatively moderate retrogression from Dubcek's liberalism has kept him on a collision course with pro-Soviet conservatives who desire a return to full orthodoxy. In an attempt to solidify the party, Husak appears to have joined forces with the hard-liners, who advocate repressive measures on some issues.

For their part, the conservatives have been unable to generate enough support within the party to launch a meaningful challenge to Husak's leadership and its policies. There are recent signs that, as a result, conservative leader Strougal has moved toward a tenuous alliance with Husak--perhaps as the only alternative to another political crisis. The protracted infighting apparently accounts for Husak's failure to put forth positive programs that would give the regime a sense of direction and help to introduce stability.

The people regard the regime as a creature of Soviet pressure, and have become increasingly alienated by Husak's cooperation with the conservatives on various issues. Passive resistance among workers, students, and intellectuals is growing. Moreover, this passivity masks considerable popular determination to resist further concessions to Moscow and to oppose austerity measures that are urgently being drafted to boost the sagging economy.

So far, Husak has achieved a period of relative domestic calm, in part because he has refused to impose police terror to enforce the retrogressive decrees. The first anniversary of the Soviet invasion is approaching, however, and unless the party can

unite and impose its will, the regime could be faced with some adverse popular reaction.

The Soviets' failure so far to give Husak whole-hearted support is probably a further cause of instability. It also contributes to popular fears that Moscow still may be working toward a more repressive regime. The Soviets have reportedly again postponed Husak's planned trip to the USSR for bilateral talks, in part as a tactic to coerce the Czechoslovaks into making additional personnel and policy changes.

(Photo)

Nepal-India: Indo-Nepalese relations continue to deteriorate in an atmosphere of mutual recrimination and distrust.

In an unusually candid press interview on 24

June, Nepalese Prime Minister Bista rejected India's claim to a special relationship with Nepal in military and security fields. Bista maintained that the exchange of defense-related information under the 1950 Indo-Nepalese Treaty is now "unnecessary." He added that so far as Nepal is concerned the Indo-Nepalese arms assistance agreement of 1965, designating India as Nepal's military supplier of first resort, is terminated. He called for the withdrawal of the 50-man Indian military liaison group and of Indian personnel manning checkposts on the Tibet-Nepal border, claiming that Nepal is not willing to compromise its own sovereignty for India's "so-called security."

According to the head of the Indian military liaison group in Nepal, India intends to keep its military frontier on the Himalayas and retain the capability of moving into Nepal to meet any Chinese aggression. He added, however, that India is willing to reduce the number of checkposts and advisory personnel, and does not oppose cancellation of the military assistance agreement.

Despite the deterioration of relations, mutual self-interest may yet bring about the gradual resolution of differences. Nepal realizes it has more to lose from bad relations than does India, but is determined no longer to be treated as India's special preserve.

NOTES

UN - Middle East: The Security Council is scheduled to meet today to consider another Jordanian protest over Israeli activities in Jerusalem. Jordan has alleged that Israeli administrative and legislative acts are violating a Security Council injunction against changing the legal status of Jerusalem. It is quite possible that Jordan will press for a strongly worded resolution, which could result in a full-scale Middle East debate potentially damaging to the four-power negotiations. Amman ignored four-power warnings to this effect when it called the meeting.

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Turkey: The chances of violence resuming in the fall have been increased by the bitterness resulting from recent student clashes. Student groups reportedly are preparing for renewed violence after the summer recess, and the president of the 100,000-member small businessmen and artisans association has hinted that his members might take to the streets in opposition to the student left. Any substantial expansion of unrest between now and the national election in October will encourage the Turkish military to take a firmer stand, and possibly to inject itself more into the decision-making process of government.

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9

Pakistan: Some signs of continuing restiveness are evident in East Pakistan as martial law enters its fourth month without tangible progress toward meeting basic Bengali demands for a greater role in the country's economic and political life. While there is no evidence of organized resistance, students, many of whom had the notion that President Yahya Khan's government would end on 25 June, may demonstrate for an early restoration of civilian rule. Labor unrest appears to be growing, although workers involved in illegal strikes in Chittagong early this month were dealt with firmly by the government. There

Malaysia: Clashes in Kuala Lumpur during the night of 28-29 June reportedly resulted in five deaths and the burning of several buildings, the most serious incidents since the height of the rioting in mid-May. Security forces have apparently brought these disturbances under control, but the situation in West Malaysia continues to be highly volatile. Although the present emergency government, almost exclusively Malay, will probably cite this unrest as a rationale for its lack of progress in reinstituting parliamentary government, the lack of progress has in fact been a major factor in provoking the unrest.

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